

Federal Government of the Somali Republic  
Ministry of Petroleum & Mineral Resources  
Office of the Minister

Ref: MoPMR/OM/ 020 /2025

Date: 28<sup>th</sup> March 2025

**SUBJECT: ISSUANCE AND APPROVAL OF THE REGULATION GOVERNING THE  
PUBLICATION STANDARDS OF PRODUCTION SHARING  
AGREEMENTS NO. 2**

**The Minister of Petroleum and Mineral Resources of the Federal Government of  
Somalia:**

- Having Seen:** Article 102 (1) of the Provisional Constitution of the Federal Republic of Somalia;
- Having Seen:** Article 32 of the Provisional Constitution of the Federal Republic of Somalia;
- Having Seen:** Articles 42, 43 and 44 of the Somali Petroleum Law (Law N. 19 of 8<sup>th</sup> February 2020);
- Having Seen:** Article 45 of the Somali Petroleum Law (Law N. 19 of 8<sup>th</sup> February 2020);
- Having Seen:** Articles 51(1) and 57(1) of the Regulation on the Organisation of the Government, 2025;
- Having Considered:** The advice and recommendations from the Somali Petroleum Authority;

**Hereby issues the following Decree**

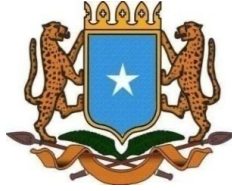
**ARTICLE 1  
ISSUANCE AND APPROVAL OF REGULATION GOVERNING THE  
PUBLICATION STANDARDS OF PRODUCTION SHARING AGREEMENTS**

1. The Regulation governing the Publication standards of Production Sharing Agreement, attached to this Ministerial Decree and bearing the Minister's initials on right side bottom of each page, is hereby issued and approved.
2. This regulation shall enter into force upon the signature of the Minister of Petroleum and Mineral Resources of Federal Government of Somalia and shall be published on the official bulletin of the Federal Republic of Somalia and the official website of the Ministry of Petroleum and Mineral Resources.

3. This Regulation shall only apply to Production Sharing Agreements executed after the date of issuance of this Regulation.
4. This Regulation is issued in Somali and English languages. In the event of any discrepancy, inconsistency or conflict between the Somali and English text of this Regulation, the Somali text shall prevail and be the governing and binding text.



**H.E. Dahir Shire Mohamed**  
**Minister of Petroleum and Mineral Resources**  
**Federal Government of Somalia**



## REGULATION GOVERNING THE PUBLICATION STANDARDS OF PRODUCTION SHARING AGREEMENTS NO. 2

### Article 1

#### Name and Purpose of the Regulation

1. This Regulation shall be cited as the Regulation governing the Publication standards of Production Sharing Agreements.
2. The purpose of this Regulation is to promote transparency in petroleum operations, ensuring that the people of the Federal Republic of Somalia are well-informed about the management of the country's petroleum resources.

### Article 2

#### Definition of Terms

The terms listed below shall have the meanings assigned to them, unless otherwise specified in the Somali Petroleum Law:

1. **Authorization** Means an authorization granted by the Government, specifically in the form of a Production Sharing Agreement (PSA), which allows the holder to engage in petroleum exploration, development, and production activities within the jurisdiction of the Federal Republic of Somalia;
2. **Contractor** Means the entity that has entered into a Production Sharing Agreement (PSA) with the Federal Government of Somalia.
3. **Publication** means the public disclosure and dissemination of information regarding:
  - a. the reasons for granting PSA;
  - b. description of the information provided in article 3 of this regulation
  - c. description of the information outlined in article 4 of this regulation.
4. **Official Bulletin** Means the Official Bulletin of the Federal Government of Somalia, issued and maintained by the State Attorney General of the Federal Government of Somalia, which contains official information on the activities of the Federal Government and is made digitally accessible to the public free of charge; and

5. **Forms of Publication:** means the publication, disclosure and dissemination of information required under this regulation in written, audio, or video formats, whether in printed or digital form.

### **Article 3**

#### **Disclosure of the information concerning the Contractor**

The Somali Petroleum Authority shall, within thirty (30) days, publish in the Official Bulletin and other Forms of Publication the following information:

- a. The reason for granting License whether it is granted through competitive form or direct negotiations;
- b. Information concerning:
  - i. The name, headquarter and registered address of the Contractor;
  - ii. A description of the Contractor's professional skills and expertise related to petroleum exploration, development, or production;
  - iii. The geographical location in Somalia where the Contractor is conducting petroleum operations, including the names of specific regions and blocks involved in exploration, development, or production;
  - iv. The financial and technical capability of the Contractor in conducting petroleum operations;

### **Article 4**

#### **Information to be Published Regarding Production Sharing Agreements**

1. Subject to the provisions of Articles 18(2) and 19(9) of the Somali Petroleum Law, the Somali Petroleum Authority shall, within thirty (30) days from the execution of a Production Sharing Agreement (PSA), publish a summary in the Official Bulletin and other Forms of Publication containing the following details concerning the executed PSA:
  - a. Detail of the block granted under the PSA;
  - b. the term and duration of the PSA;
  - c. the duration of the whole exploration period;
  - d. provisions on safeguarding and protection of the environment;
  - e. A description of the bonuses, surface rental fees, training fund, and contribution to the local communities fund required from the Contractor to pay under the PSA;
  - f. A description of the royalty rate required from the Contractor to pay under the PSA;
  - g. A description of the rate of the Cost Recovery, Profit Petroleum sharing mechanism, including the applicable R-Factor tranches and the Federal Government's and Contractor's share of Profit Petroleum;
  - h. A description of the state participation interest in accordance with the Article 35 of the Petroleum Law;
  - i. A description of the Corporate Income Tax, Withholding tax and Capital gains Tax required from the Contractor to pay under the PSA;

- j. A description of the types of Tax Exemptions granted to the Contractor;
  - k. A description of the fiscal stability provisions established in the PSA;
  - l. A description of any other financial obligations not specified in this Article but is required from the Contractor to pay them under the PSA;
  - m. A description of the accounting and auditing procedures under the PSA; and
  - n. Governing Law.
2. Within thirty (30) days of any amendment to a signed Production Sharing Agreement (PSA) that affects the information outlined in Article 3 and Article 4(1), the Somali Petroleum Authority shall publish a description of such amendment in the Official Bulletin and other Forms of Publication.

**Article 5**  
**Availability and Accessibility of Published Information**

The Ministry of Petroleum and Mineral Resources and the Somali Petroleum Authority shall ensure that all information published in accordance with the provisions of this Regulation is readily accessible to the public in Somali, free of charge, on the official websites of both the Somali Petroleum Authority and the Ministry of Petroleum and Mineral Resources for the entire duration of the PSA.